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CENTRAL INTELLIGENCE AGENCY.

INFORMATION REPORT

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COUNTRY

China

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SUBJECT

Manufacture and Availability of
Pharmaceuticals 25X1

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1. The medical profession in China has always suffered from a lack of medical supplies and particularly medical drugs. There are only two major drug manufacturers in China. The New Asia Company with headquarters in Shanghai, a branch office in Canton, and a small factory in Hong Kong, and the Sine Company, also of Shanghai. These two companies make most of the common drugs, including serums, such as vaccinations for diphtheria, tetanus antitoxin, smallpox, etc. They do not, however, make any of the antibiotics.

2.

in 1951 during the severe plague epidemic in Manchuria (blamed on US germ warfare), the USSR sent in a quantity of plague serum. Sulphur drugs were used extensively in treating plague patients with considerable success.

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3. In 1950 and 1951 speculators imported a large amount of antibiotics. Most of these supplies

were brought in at a cost of approximately US\$1.80 per bottle of 300 thousand units. Speculators sold penicillin for as much as US\$5.00 to US\$8.00 a bottle. Later penicillin was selling at about US\$.70 for the 300 thousand unit bottle. US medical drugs are greatly preferred to all others, but European drugs are now more commonly in use because they are cheaper.

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